Form 1120 L Department of the Treasury Internal Revenue Service

U.S. Life Insurance Company Income Tax Return

| | FOR CALENDAR | YEAF |
|---|--------------|------|
| | 1977 | 7 |
| ١ | 118) | |

| | THE TOTAL CONTROL | | | |
|----------------|--|-------------------------------|---|--|
| print | Name | A Employer ide | ntification number | |
| Please type or | Number and street | B Date and place incorporated | | |
| Please | City or town, State, and ZIP code | | | |
| C C | heck if a— Legal reserve company—If so, check E Do you have any segregated asset accounts? Yes No | | otal insurance liabilities. | |
| | Type of company— Stock Mutual If "Yes," see instruction P. | (See instruct | on U.) | |
| | Principal business— Life insurance F Were you a member of a controlled group | | rcentage that the total of trance reserves (sec. 801 | |
| | Health and accident subject to the provisions of Section 1561? Yes No | (b)) plus une | arned premiums and un- | |
| _ | it answer was "tes," check type of relationship: | | hether or not ascertained) lable life, health or acci- | |
| L | Fraternal or assessment association Burial or other insurance company (a) Parent-subsidiary | dent policies | not included in life insur- | |
| <u>_</u> | by you have any variable annuity (c) Combination of (a) and (b) | | is to your total reserves Attach schedule. | |
| ם ב | ontracts outstanding? Yes No (See section 1563) | | % | |
| _ | 1 (a) Taxable investment income (Schedule C) | | | |
| TAXABLE INCOME | (b) Gain from operations (Schedule E) (If a loss, enter zero) | | | |
| Ž | (c) The smaller of (a) or (b) | 1(c) | | |
| 빌 | 2 50% of any excess of 1(b) over 1(a) | | | |
| XAB | 3 Amount subtracted from policyholders' surplus account (line 5, Schedule G) | | | |
| ~ | 4 Life insurance company taxable income (total of lines 1(c), 2, and 3) | 4 | | |
| | 5 Enter line 4 or \$25,000, whichever is lesser (members of a controlled group, see instructions |) 5_ | | |
| 중 | 6 Line 4 less line 5 | | | |
| E | 7 Enter line 6 or \$25,000, whichever is lesser (members of a controlled group, see instructions) | | | |
| COMPUTATION | 8 Line 6 less line 7 | · | | |
| 2 | 9 20% of line 5 | | | |
| T&X | 10 22% of line 7 | | | |
| • | 11 48% of line 8 | | | |
| | 13 Income tax—the lesser of line 12 (above) or line 26 of Schedule D (Form 1120L) | | | |
| | 14 Less: (a) Foreign tax credit (attach Form 1118) | • • • | | |
| | (b) Investment credit (attach Form 3468) | | | |
| | (c) Work incentive (WIN) credit (attach Form 4874) | | .\///////////////////////////////////// | |
| | (d) New jobs credit (attach Form 5884) | | | |
| | 15 Total of lines 14(a), (b), (c), and (d) | | | |
| | 16 Balance of tax (line 13 less line 15) | 16 | | |
| | 17 Foreign corporations—tax on income not connected with U.S. business (see Tax Computation Instructions) | 17 | | |
| | 18 Tax from recomputing a prior year investment credit (attach Form 4255) | 19 | | |
| | 19 Tax from recomputing a prior year WIN credit (see instructions—attach computation) | 20 | | |
| ΤĀ | 21 Total tax (add lines 16 through 20) | 21 | | |
| - | 22 Credits: (a) Overpayment from 1976 allowed as a credit 22(a) | | | |
| | (b) 1977 estimated tax payments | | | |
| | (c) Less refund of 1977 estimated tax applied for on Form 4466 22(c) (| | | |
| | (d) Tax deposited with Form 7004 (attach copy) | | | |
| | (e) Tax deposited with Form 7005 (attach copy) | | | |
| | (f) Credit from regulated investment companies (attach Form 2439) | | | |
| | (g) U.S. tax on special fuels, nonhighway gas and lubricating oil (attach Form 4136) | ••••• | | |
| | (h) U.S. income tax paid or withheld at source | 1 22 | | |
| | 23 TAX DUE (line 21 less line 22). See instruction F for depositary method of payment . ——— | $\rightarrow \frac{23}{24}$ | | |
| | 24 OVERPAYMENT (line 22 less line 21) | . | | |
| | | | belief it is true, correct, and | |
| comp | Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of lete. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge. | | aue, evilous, and | |
| | Paid preparer's signature and ident | ifving number (| ee instructions) | |
| | Signature of officer Date | | oo manachona/ | |

| | Schedule A INVESTMENT YIELD (See instructions) | | | | | | | | |
|---|--|-------------------|-------------------|--|--|--|--|--|--|
| | | 1. Interest | 2. Accrual of | 3. Amortization | 4. Total (for line 1: | | | | |
| | 1 Interest: | | discount | of premium | column 1 plus col- umn 2 less column 3) | | | | |
| | | | | | | | | | |
| | (b) U.S. obligations and U.S. instrumentalities | | l . | | | | | | |
| | (c) Loans, notes, mortgages, bank deposits, bonds, debentures, etc | | | | | | | | |
| 빌 | (d) Totals | | | | | | | | |
| INCOME | | | <u>'</u> | <u>. </u> | | | | | |
| ĭ | 2 Dividends (see instructions): | | | | | | | | |
| | (a) Domestic corporations subject to 85% deduction | | | | | | | | |
| INVESTMENT | (b) Certain preferred stock of public utilities | | | | | | | | |
| ₹ | (c) Foreign corporations subject to 85% deduction | | | | | | | | |
| ES | (d) Qualifying dividends received from affiliated groups and subject to the 100 | | | | | | | | |
| Ž | (e) Qualifying dividends received from affiliated groups and subject | | ions of section | 1564(b) | | | | | |
| | (f) Other (attach schedule) | | | | | | | | |
| GROSS | 3 Gross rents (attach schedule) | | | | | | | | |
| 25 | 4 Gross royalties (attach schedule) | | | | | | | | |
| _ | 5 Leases, terminations, etc | | | | | | | | |
| | 6 Net short-term capital gain reduced by any net long-term capital | oss (line 10, S | Schedule D (Fo | rm 1120L)). | *************************************** | | | | |
| | 7 Gross income from trade or business other than insurance busines | | | | | | | | |
| | from line 30(b), Schedule D, (Form 1120L)) | | | | | | | | |
| | 8 GROSS INVESTMENT INCOME (add lines 1(d) through 7) | | | | | | | | |
| | 9 Investment expenses (attach schedule) (see Schedule H) | | | | | | | | |
| ທ | 10 Real estate expenses (attach schedule) | | | | | | | | |
| ž | | | | | | | | | |
| Ĕ | 11 Depreciation (attach Form 4562) | | | | | | | | |
| ຽ | 10 Real estate expenses (attach schedule) | | | | | | | | |
| | 13 Trade or business deductions as provided in section 804(c)(5) (at | | | | | | | | |
| Ω | 14 Total deductions (add lines 9 through 13) | | | | | | | | |
| | 15 INVESTMENT YIELD (line 8 less line 14) | | | | - 005(-)) (0 | | | | |
| | Schedule B PART I—POLICY AND OTHER CONTRACT | LIABILIT | KEQUIKEME | NIS (Section | on 805(a)) (See | | | | |
| | instructions) | | | | | | | | |
| _ | | | 1 | | | | | | |
| | Adjusted life insurance reserves (from Part VI) | | | | | | | | |
| | Adjusted life insurance reserves (from Part VI) | | | | | | | | |
| 2 | | | • • • | <u>%</u> | | | | | |
| 2 3 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) | | | <u>%</u> | | | | | |
| 2 3 4 5 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | | | <u>%</u> | | | | | |
| 2 3 4 5 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | | | <u>%</u> | | | | | |
| 2 3 4 5 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) Multiplied by the current earnings rate (line 1, Part III) Interest paid (from Part VII) | 1. Beginn | ing of 2. I | % % | 3. Mean of column 1 | | | | |
| 2 3 4 5 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | | ing of 2. I | % % | 3. Mean of column 1 and column 2 * | | | | |
| 2 3 4 5 6 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) Multiplied by the current earnings rate (line 1, Part III) Interest paid (from Part VII) | 1. Beginn taxable | ing of year 2. I | % % | 3. Mean of column 1 and column 2 * | | | | |
| 2 3 4 5 6 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) Multiplied by the current earnings rate (line 1, Part III) Interest paid (from Part VII) | 1. Beginn taxable | ing of year 2. I | % % | and column 2 * | | | | |
| 2 3 4 5 6 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) Multiplied by the current earnings rate (line 1, Part III) Interest paid (from Part VII) | 1. Beginn taxable | ing of year | % % control of taxable year | and column 2 * | | | | |
| 2 3 4 5 6 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) Multiplied by the current earnings rate (line 1, Part III) Interest paid (from Part VII) | 1. Beginn taxable | ing of year 2. I | % % in the second secon | and column 2 * | | | | |
| 2 3 4 5 6 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) Multiplied by the current earnings rate (line 1, Part III) Interest paid (from Part VII) | 1. Beginn taxable | ing of 2. I | % % ind of taxable year | and column 2 * | | | | |
| 2 3 4 5 6 1 2 3 4 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | 1. Beginn taxable | ing of year 2. I | % % | and column 2 * | | | | |
| 2 3 4 5 6 1 2 3 4 5 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) Multiplied by the current earnings rate (line 1, Part III) Interest paid (from Part VII) | 1. Beginn taxable | ing of year 2. I | % % | and column 2 * | | | | |
| 2 3 4 5 6 1 2 3 4 5 6 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) Multiplied by the current earnings rate (line 1, Part III) Interest paid (from Part VII) | 1. Beginn taxable | ing of year 2. I | % % | and column 2 * | | | | |
| 2 3 4 5 6 7 3 4 5 6 7 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) Multiplied by the current earnings rate (line 1, Part III) Interest paid (from Part VII) | 1. Beginn taxable | ing of year 2. I | % % End of taxable year | and column 2 * | | | | |
| 2 3 4 5 6 1 2 3 4 5 6 7 8 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) Multiplied by the current earnings rate (line 1, Part III) Interest paid (from Part VII) | 1. Beginn taxable | ing of year 2. I | % % | and column 2 * | | | | |
| 2 3 4 5 6 7 8 9 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | 1. Beginn taxable | ing of year 2. I | % % End of taxable year | and column 2 * | | | | |
| 2 3 4 5 6 7 8 9 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | 1. Beginn taxable | ing of year 2. I | % % End of taxable year | and column 2 * | | | | |
| 2 3 4 5 6 7 8 9 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | 1. Beginn taxable | ing of year 2. I | % % End of taxable year | and column 2 * | | | | |
| 2 3 4 5 6 7 8 9 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | 1. Beginn taxable | ing of year 2. I | % % End of taxable year | and column 2 * | | | | |
| 2 3 4 5 6 7 8 9 10 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | 1. Beginn taxable | sing of year 2. I | % % Send of taxable year | and column 2 * | | | | |
| 2 3 4 5 6 7 8 9 10 1 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | 1. Beginn taxable | sing of year 2. I | % % Send of taxable year | and column 2 * | | | | |
| 2 3 4 5 6 7 8 9 10 1 2 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | 1. Beginn taxable | sing of year 2. I | % % Send of taxable year | and column 2 * | | | | |
| 2 3 4 5 6 7 8 9 10 1 2 3 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | 1. Beginn taxable | sing of year 2. I | % % Send of taxable year | and column 2 * | | | | |
| 2 3 4 5 6 7 8 9 10 1 2 3 4 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | 1. Beginn taxable | sing of year 2. I | % % Send of taxable year | % % % | | | | |
| 2 3 4 5 6 7 8 9 10 1 2 3 4 5 | Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) Pension plan reserves (line 6, column 7, Part V) | 1. Beginn taxable | sing of year 2. I | % % Send of taxable year | % % % % % | | | | |

| FOI | PART IV—A\ | FRAGE INT | FREST D | ATF ASSI | MED (Section 80 | 05(c)(2)) | | Page 3 |
|-----|--|--|------------------|--------------------|-------------------------|--|--|------------------------------------|
| _ | | 2. Assumed | 3. Assumed | 4. Method o | f 5 Amount of ro- | 6. Amount of re- | 7. Mean of | 8. Column 3 |
| | Nature of reserve (life, annuity, etc.) | morbidity or mortality | interest rate | (Illinois | serve at beginning | serve at end of taxable year* | column 5 | times column 7 |
| 1 | | table | | Standards, etc | 3.) | taxable year | | Column 7 |
| | | - | | · | | · | | |
| 3 | | - | | | _ | | | |
| 4 | | - | | | | | | |
| _ | T-1-1- | • • • • | | | | | | |
| _ | Average rate of interest assumed in co | | | | | of column 7) | | % |
| | *See instructions for section 800 PART V—PE | 6(b) and sect | ion 818(c) | adjustments. | **Adjusted u | nder section 806(| a) (attach sch | |
| _ | | NSION PLA | N KESER | VES (Secti | <u> </u> | T | 1 | Т |
| | Section 805(d)(1) reserves | ļ ——— | | \ | _ | | | |
| | Section 805(d)(2) reserves Section 805(d)(3) reserves | | | | | | | |
| | Section 805(d)(4) reserves | | | | _ | | | |
| | Section 805(d)(5) reserves | | | | - | | | |
| - | Totals | <u>' </u> | | | | | | |
| | | JUSTED LI | FE INSUF | RANCE RES | ERVES (Section | 805(c)(1)) | L | <u> </u> |
| 1 | Mean of the reserves (column 7 | | | | | | I | |
| _ | (a) | | | | | i 10 | 00% | |
| _ | (b) Plus 10 times the average | rate of interes | t assumed | (line 6. Part | IV) | | 20 70 | |
| | (c) Total (add lines 2(a) and 2(| | | | | | | |
| | (d) 10 times the adjusted reserve | | | | | | | |
| | (e) Line (c) less line (d) | | • " • • | | | , | | % |
| _3 | Adjusted life insurance reserves | (line 1 multip | olied by line | e 2(e)). Enter | here and on line 1 | , Part I, Schedule | В | |
| | PART VII—IN | NIEREST PA | AID (Sect | ion 80 5(e) |) | | | |
| 1 | Interest on indebtedness | | | | | | | |
| 2 | Amounts in the nature of inter- | est | | | | | | |
| | Discount on prepaid premiums | | | | | | | |
| 4 | Interest on certain special conti | ngency reserv | es | | : | | | |
| | Total interest paid (add lines 1 t | | | | | • • • • • | ! | |
| ° | Schedule & TAXABLE INV | ESTMENT | INCOME | (See instru | ctions) | | | |
| 1 | Policyholder's share (section 804) (line | e 6, Part I, Sched | lule B, divide | d by line 15. Sc | hedule A) but not to ex | rceed 100% | | % |
| | Company's share | | | | | | | % |
| 3 | Total | | | | | | | 100% |
| | | | | | 1. Total | 2. Exclusion- holders' shar times co | e (line 1) (col | ompany's share . 1 less col. 2) |
| 4 | Interest wholly tax-exempt (line 1(a), | col 4 Schedule | A_see instri | uctions) | | | | |
| | (a) Dividends from line 2(a), So | | | | | | | |
| | (b) Dividends from line 2(b), So | | | | | | | |
| | (c) Dividends from line 2(c), So | | | | | | | |
| | (d) Dividends from line 2(d), So | | | | | | | |
| | (e) Dividends from line 2(e), So | chedule A . | | • • • • | • | | | |
| | (f) Dividends from line 2(f), So | chedule A . | | | _ 1 | | | |
| 6 | Other items of investment yield (line 1 | 15, Schedule A, Id | ess lines 4 ar | nd 5 above) . | • | | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | |
| / | Net capital gain (line 11, Sched | aule D (Form | 1120L)) . | | • | | | |
| 8 | Totals (add lines 4 through 7) . | | | | • | | | * ** |
| | REDUCTIONS | | | | | | | |
| | Interest wholly tax-exempt (line | | | | | | · • • | |
| 10 | Dividends-received deduction (at | | | • | | 1 | | |
| | (a) 85% of line 5(a), column 3 | | | | | • | | |
| | (b) 60.208% of line 5(b), column | | | | | • | | |
| | (c) 85% of line 5(c), column 3 | | | | | | | |
| | (d) Total, but not to exceed 8 | | | | | _ | | |
| 11 | deduction | | | | | | | |
| | Small business deduction (10% of line Total (add lines 9, 10(d), and 1 | | | | | • | | |
| 13 | Taxable investment income (line | e 8 less line 1: | 2. but not l | ess than zero |). Enter here and c | on line 1(a), page | `i : : | |
| | | · · · · · · · · | | | , | | | |

| For | o Schedule E GAIN OR (LOSS) FROM OPERATIONS (See instructions) | Page 4 |
|-----------|--|--|
| 1 | Policyholder's share (section 809) (line 6, Schedule E-1, divided by line 15, Schedule A), but not to exceed 100 | % |
| | Company's share | |
| 3 | Total | . 100% |
| | 2. Exclusion—pol 1. Total holder's share (lin | licy- ne 1 3. Company's share (col. 1 less col. 2) |
| 4 | Interest wholly tax-exempt (line 1(a), column 4, Schedule A—see | (col. 1 less col. 2) |
| | instructions) | |
| 5 | (a) Dividends from line 2(a), Schedule A | |
| | (b) Dividends from line 2(b), Schedule A | |
| | (c) Dividends from line 2(c), Schedule A | |
| | (d) Dividends from line 2(d), Schedule A | |
| | (e) Dividends from line 2(e), Schedule A | |
| | (f) Dividends from line 2(f), Schedule A | |
| _ | Other items of investment yield (line 15 Schedule A less 4 and 5 above) | |
| 7 | Other items of investment yield (line 15, Schedule A less 4 and 5 above) | |
| , | Totals (add lines 4 through 6) | |
| ٥ | Net capital gain (line 11, Schedule D (Form 1120L)) | • |
| 9 | Gross premiums Less: Return premiums, etc | |
| 10 | (a) Decrease in reserves (after adjustment under section 810(a)) (attach schedule) | • |
| | (b) Decrease in section 811(b)(2) reserves (see line 3, Part II, Schedule E-2) | • |
| | Other amounts (attach schedule). (Also include amount from line 30(c), Schedule D (Form 1120L)) | |
| 12 | Total (add lines 7 through 11) | • |
| | DEDUCTIONS | |
| 13 | Death benefits, etc | • |
| 14 | Increase in reserves (after reduction for investment yield under section 810(b)) (attach schedule) | • |
| 15 | Assumption by another person of liabilities under insurance, etc., contracts | • |
| 16 | Interest wholly tax-exempt (line 4, column 3) | • |
| 17 | Investment expenses, etc., not deducted on Schedule A (attach schedule) | • |
| 18 | Small business deduction (line 11, Schedule C) | • |
| 19 | Other deductions not deducted on Schedule A (attach schedule) | • |
| 20 | Total (add lines 13 through 19) | • |
| 21 | Dividends-received deduction (affiliated groups, see instructions): (a) 85% of line 5(a), column 3 | |
| | (b) 60.208% of line 5(b), column 3 | |
| | (c) 85% of line 5(c), column 3 | |
| | (d) Total, but not to exceed 85% of any excess of line 12 over line 20 | |
| | Operations loss deduction (attach schedule) | • |
| 23 | Tentative deduction (add lines 20 through 22) | • |
| 24 | Plus: (a) Dividends to policyholders (line 7, Part I, Schedule E-2) | |
| | (b) Accident and health, and group life insurance (line 9, Part I, Schedule E-2) | |
| | (c) Certain nonparticipating contracts (line 11, Part I, Schedule E-2) | |
| | Total deductions (line 23 plus line 24) | |
| <u>26</u> | Gain or (loss) from operations (line 12 less line 25). Enter here and on line 1(b), page 1 | |
| S | chedule E_1 REQUIRED INTEREST (Section 809(a)(2)) | |
| | 1. Rate 2. Beginning of taxable year 3. End of taxable year 2 and 3 | ns 5. Column 1 times column 4 |
| 1 | Sec. 810(c)(1) reserves (from line 5, column 8, Part IV and line 6, column 8 Part V, Schedule B) | |
| 2 | Sec. 810(c)(3) reserves | |
| 3 | Sec. 810(c)(4) reserves | |
| | Sec. 810(c)(5) reserves | |
| | Sec. 810(c)(6) reserves | |
| | Required interest (add lines 1 through 5) | _ |
| Sc | hedule E-2 PART I-LIMITATION ON DEDUCTION (LINE 24, SCHEDULE E) (Section 809 | 9(f)) |
| | Statutory amount | 250,000 |
| | (a) Line 12, Schedule E | • |
| - | (b) Less: Tentative deduction (line 23, Schedule E) | · |
| 2 | Gain from operations without regard to line 24, Schedule E (line 2(a) minus line 2(b)) | |
| | | |
| | Less: Taxable investment income (line 13, Schedule C) | |
| | Excess of line 3 over line 4 (but not less than zero) | • |
| | Maximum possible deduction for line 24, Schedule E (line 1 plus line 5) | • |
| | Deduction for dividends to policyholders (Part II, Schedule E-2) (not in excess of line 6) | |
| | Maximum deduction for accident and health, and group life insurance (line 6 less line 7) | |
| | Deduction for accident and health, and group life insurance (Part III, Schedule E-2) (not in excess of line 8). | |
| | Maximum deduction for certain nonparticipating contracts (line 8 less line 9) | |
| 77 | Deduction for certain nonparticipating contracts (line 3, Part IV, Schedule E–2) (not in excess of line 10) | |

| | rm 1120L (1977) | Page 5 |
|----|---|--------------|
| F | PART II—DIVIDENDS TO POLICYHOLDERS (Section 809(d)(3)) | |
| 1 | Dividends paid to policyholders | |
| | ? (a) Increased by the excess of (i) over (ii): | |
| | (i) Reserve at the end of the taxable year | |
| | (ii) Reserve at the end of the preceding taxable year | |
| | OR | |
| | (b) Decreased by the excess of (i) over (ii): | |
| | (i) Reserve at the end of the preceding taxable year | |
| | (ii) Reserve at the end of the taxable year | |
| 3 | If positive, enter on line 7, Schedule E–2; if negative, enter on line 10(b), Schedule E | |
| P | PART III—CERTAIN ACCIDENT AND HEALTH INSURANCE AND GROUP LIFE INSURANCE (Section | n 809(d)(6)) |
| _ | Amount of deductions allowed or allowable in prior years under section 809(d)(6) | |
| _ | Net premiums | |
| | B Line 2 multiplied by 2% | |
| | Tentative deduction—the lesser of line 3 or (50% of line 2, less amount on line 1) | |
| | PART IV—CERTAIN NONPARTICIPATING CONTRACTS (Section 809(d)(5)) | |
| | (a) Decome at the end of the toughle upon | |
| _ | (b) Less: Reserve at the beginning of the taxable year | |
| | (c) Increase (if the difference is negative, enter zero) | |
| | (d) Multiplied by | |
| 2 | | |
| 2 | (b) Multiplied by | |
| 3 | (b) Multiplied by | |
| | Schedule F SHAREHOLDER'S SURPLUS ACCOUNT (Section 815(b)) | |
| | | |
| | (a) Balance at the end of the preceding year | |
| | (b) Transfers under section 815(d)(1) and (4) for preceding year | |
| 2 | (c) Balance at the beginning of the taxable year (line 1(a) plus line 1(b)) | |
| | Life insurance company taxable income computed without regard to section 802(b)(3) (line 1(c), page 1, plus line 2, page 1) | |
| | Net capital gain income reduced by any income on line 2 | |
| 4 | Dividends-received deduction (affiliated groups—see instructions): | |
| | (a) 85% of line 2(a), Schedule A | |
| | (b) 60.208% of line 2(b), Schedule A | |
| | (c) 85% of line 2(c), Schedule A | |
| _ | (d) Total, but not to exceed 85% of line 12 less line 20, Schedule E | |
| | Interest wholly exempt from tax (line 1(a), column 4, Schedule A) | |
| | Small business deduction (line 11, Schedule C) | |
| _ | | |
| 8 | Less: Tax liability for 1977 under section 802(a) (computed without regard to section 802(b)(3)) (income tax | |
| _ | computed on line 2 as if line 2 was total life insurance company taxable income) | |
| | Excess of line 7 over line 8 | |
| | Less: Distributions in 1977 (not to exceed line 9) | |
| 11 | Balance as of the end of the taxable year | |
| | | |
| | Balance as of the beginning of the taxable year | |
| 2 | Add: (a) 50% of any excess of the gain from operations over the taxable investment income | |
| | (line 2, page 1) | |
| | (b) The deduction for certain nonparticipating contracts (line 24(c), Schedule E) | |
| | (c) The deduction for accident and health, and group life insurance (line 24(b), Sched- | |
| | ule E) | |
| | Total (line 1 plus line 2) | |
| 4 | (a) Actual distributions only in excess of line 9, Schedule F | |
| | (b) Tax increase on line 4(a) by reason of section 802(b)(3) | |
| | (c) Subtractions under section 815(d)(1) and (4) (see instructions) | |
| | (d) Tax increase on line 4(c) by reason of section 802(b)(3) | |
| | (e) Subtraction required under section 815(d)(2) due to termination | |
| | Total of lines 4(a) through (e) (not to exceed line 3). Enter here and on line 3, page 1 | |
| 6 | Balance at the end of the year (line 3 less line 5) | |

| OIII 1120E (1377) | | | | | | | | | rage (|
|---|--|---------------|-----------|---|--|---|--|---|---------------------|
| Schedule H LIMITATION OF IN | NVESTMENT | EXPEN | SE DE | EDUCT | ION () | ou need not fill r general expense | in Schedule H unl s allocated to invest | ess you clain ment income. | m a deduction .) |
| 1 Mean of the assets for the taxable year | ar (line 10, colu | ımn 3, Pa | art II, S | Schedul | e B) | | | | |
| 2 One-fourth of 1% of the mean of the a | | | | | | | | | |
| 3 Mortgage service fees | | | | | | | 1 | | |
| 4 (a) (i) Investment yield computed v | | | | | | | | | |
| (ii) Three and three-fourths per | | | | | | | | | |
| (iii) Line (i) less line (ii) | | | | | | | | | |
| (iv) One-fourth of line (iii) | | | | | | | | | |
| (v) Mortgage service fees (line 3) | | | | | | L | | | |
| (vi) Line (iv) less line (v) | | | | | | 1 | | | |
| (b) One-fourth of 1% of the amount | | | | | | | | | |
| | | | | | | | | | |
| (c) The greater of (a)(vi) or (b) 5 Limit on deduction for investment exp | enses (add line | s 2 throu | gh 4) | | | • • • | • • • • • | | |
| Schedule J COMPENSATION C | F OFFICERS | (See | instru | ctions. | nage 8) | · · · · · | | | |
| | | | | ime | | corporation | | T | |
| 1. Name of officer | 2. Social sec number | | devot | ted to | | owned | 6. Amount of compensation | | se account wance |
| · | | | | | | 5. Preferred | | | - |
| | | | | | | | ľ | 1 | |
| | | | | | | | | t . | |
| | | i i | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | · | |
| (1) Did you at the end of the taxable year own, rectly 50% or more of the voting stock of poration (for rules of attribution, see sect If "Yes," attach a schedule showing: (a) name, address, and identifying numbe (b) percentage owned; and (c) taxable income or (loss) from line 2 1120 of such corporation for the taxawith or within your taxable year. (2) Did any individual, partnership, corporat trust at the end of the taxable year own directly, 50% or more of your voting sto attribution, see section 267(c))? If "Yes": (a) Attach a schedule showing namidentifying number. (b) Enter percentage owned | a domestic corion 267(c))? 8, page 1, Formable year ending tion, estate, or directly or inck (for rules of example of ex | | MN | (1) Ent (2) Livi (3) Em (4) Em Tot und Did you Were yo (See see If "Yes Enter t for your Did you, or signa financia | ertainment facing accommod ployees' familiployee or familial amount of dider section 274 file all require u a U.S. sharelections 951 and attach Form the number of employees (sharelections) at any time didure or other laccount in a | cility (boat, res ations (except i es at convention ly vacations no eduction(s) on la (Entertainment ed Forms 1087, nolder of any coal 1 957) | ises connected with ort, ranch, etc.)? for employees on but or meetings? t reported on Form 1120L that are t, gifts, etc.) 1096, and 1099? Introlled foreign continued to the corporation. and defined continued to the contin | nusiness)? n W-2? . e claimed rporation? ribution pla | ans you have |
| K Does a copy of the 1977 annual statement return? If "No," explain why the statement is | | | Q | Were you any tax current interest | ruction T. u the grantor able year, whi taxable year, in such trust | of, or transfero ch foreign trus whether or no | or to, a foreign tru it was in being d ot you have any u may be require | st during uring the beneficial | |